

Wisconsin Medicaid and BadgerCare update

April 2006 • No. 2006-39

Wisconsin Medicaid and BadgerCare Information for Providers

To:

School-Based

Services

Providers

HMOs and Other

Managed Care

Programs

School-Based Services Cost Reporting System

This *Wisconsin Medicaid and BadgerCare Update* provides information about the following:

- A reminder about school-based services cost reports and interim contract rates that will be established for the 2005-2006 school year.
- A reminder about required enrollment in the Medicaid Administrative Claiming program and completion of time studies that are required as a result of cost reporting.
- A revised School-Based Services Terms of Reimbursement.

Cost Reporting for the 2005-2006 School Year

As mentioned in letters to providers, the federal Centers for Medicare and Medicaid Services (CMS) is requiring school-based services (SBS) providers to certify costs for the 2005-2006 school year using a new cost reporting system. Providers will receive a new cost report that replaces the Certification of Public Expenditures, HCF 1003 (Rev. 12/04), issued in the School-Based Services Handbook.

Wisconsin Medicaid is currently negotiating the format and content of the cost report with CMS. Wisconsin Medicaid is proposing the cost report be based on the Department of Public Instruction's Wisconsin Uniform Financial Accounting Requirements (WUFAR) system, the Special Education Fiscal Report (SEFR),

and records used to support the SEFR. Once the report format is approved by CMS, it will be distributed to SBS providers.

The Department of Health and Family Services is currently paying interim contract rates for all covered services provided by certified SBS providers to Wisconsin Medicaid recipients eligible on the date of service. Providers will be required to use the cost reports to provide certification of the total cost incurred (for both the state and federal share) for all school-based services.

Wisconsin Medicaid will reconcile interim reimbursement to cost by recovering overpayments or making additional payments up to cost. Some school districts may receive an increase in reconciliation funding up to cost and other school districts may see a decrease in reimbursement. Medicaid reimbursement cannot exceed the cost incurred by SBS providers in providing the covered services.

Revised Terms of Reimbursement

Refer to the Attachment of this *Wisconsin Medicaid and BadgerCare Update* for the revised terms of reimbursement (TOR) for SBS providers. The TOR is an attachment to the SBS provider agreement. The attached TOR replaces the previous version. The revisions will automatically take effect;

providers do not need to resubmit certification packets.

Time Studies

As stated in letters and telephone calls, CMS will also require all SBS providers to participate in time studies. Therefore, all SBS providers are required to be enrolled and participate in the Medicaid Administrative Claiming (MAC) program for allocation of cost in the cost reporting system.

Time studies are used to allocate staff time and cost between educational and medical activities.

Medicaid Administrative Claiming enables a school district or Cooperative Educational Service Agency (CESA) to receive federal matching funds for Medicaid administrative and outreach activities. Medicaid Administrative Claiming time studies are required this year, and will continue to be required of all SBS providers.

For More Information

For additional information about and enrollment in the MAC program, providers may call a MAC coordinator at (888) 322-1006. Providers may also call Provider Services at (800) 947-9627 or (608) 221-9883 with questions about this *Update*.

The *Wisconsin Medicaid and BadgerCare Update* is the first source of program policy and billing information for providers.

Although the *Update* refers to Medicaid recipients, all information applies to BadgerCare recipients also.

Wisconsin Medicaid and BadgerCare are administered by the Division of Health Care Financing, Wisconsin Department of Health and Family Services, P.O. Box 309, Madison, WI 53701-0309.

For questions, call Provider Services at (800) 947-9627 or (608) 221-9883 or visit our Web site at dhfs.wisconsin.gov/medicaid/.

PHC 1250

ATTACHMENT

School-Based Services Terms of Reimbursement

(A copy of the School-Based Services Terms of Reimbursement is located on the following page.)

Jim Doyle
Governor

Helene Nelson
Secretary



State of Wisconsin

Department of Health and Family Services

DIVISION OF HEALTH CARE FINANCING
WISCONSIN MEDICAID AND BADGERCARE
PROVIDER SERVICES
6406 BRIDGE ROAD
MADISON WI 53784

Telephone: 800-947-9627
608-221-9883

dhfs.wisconsin.gov/medicaid
dhfs.wisconsin.gov/badgercare

SCHOOL-BASED SERVICES TERMS OF REIMBURSEMENT

The Department of Health and Family Services (DHFS) shall reimburse the school district or Cooperative Educational Service Agency (CESA) for sixty percent of the federal share of allowable charges and allowable administrative costs for the school medical services that it provides.

The DHFS is currently paying interim contract rates for all covered services provided by certified school-based services (SBS) providers to Wisconsin Medicaid recipients eligible on the date of service. Providers will be required to provide certification of the total cost incurred (for both the state and federal share) for all school-based services using a cost report developed by the DHFS.

At the direction of the federal Centers for Medicare and Medicaid Services (CMS), local educational agencies certified as Medicaid SBS providers are required to submit an annual Certification of Public Expenditures, established by the DHFS, for each state fiscal year, certifying the total local expenditures for SBS. Certifying sufficient expenditures is necessary for the SBS provider to qualify for the full amount of federal Medicaid matching funds provided by the state.

Wisconsin Medicaid will reconcile interim reimbursement to cost by recovering overpayments or making additional payments up to cost. Some school districts may receive an increase in reconciliation funding up to cost and other school districts may see a decrease in reimbursement. Medicaid reimbursement cannot exceed the cost for an individual SBS provider.

Wisconsin Medicaid receives federal funding that must be matched by state or local government funds. Under s. 49.45(39), Wis. Stats., any participating SBS provider is required to provide this non-federal share. Expenditures for providing services to Medicaid-eligible recipients constitute the non-federal share, provided they are funded by state aid and local taxes.

Applicable Provider Type(s): 56

Effective: July 1, 1995

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